

KENTUCKY HEALTH BENEFIT EXCHANGE ADVISORY BOARD

Meeting Minutes

February 28, 2013

Call to Order and Roll Call

The sixth meeting of the Kentucky Health Benefit Exchange Advisory Board was held on Thursday, February 28, 2013, at 1:30 p.m. in the Large Conference Room at the Office of the Kentucky Health Benefit Exchange. Commissioner Sharon Clark, Chair, called the meeting to order at 1:30 p.m., and the Secretary called the roll.

Board Members Present: Commissioner Sharon Clark, Chair; David Allgood, Andrea Bennett (by phone), Jeff Bringardner (by phone), Dr. Joe Ellis (by phone), Ed Erway, Carl Felix, Donna Ghobadi, , Connie Hauser, Dr. Michael Huang, Commissioner Larry Kissner, Julie Paxton, Tihisha Rawlins, and Marcus Woodward. Gabriela Alcalde, Ruth Brinkley, Commissioner Stephen Hall, Deborah Moessner, and Dr. John Thompson were not present at the meeting.

Staff Present: Carrie Banahan, Lee Barnard, Tammy Bullock, Reina Diaz-Dempsey, Miriam Fordham, Wanda Fowler, Jean Klinge, Bill Nold, Brenda Parker, Vanessa Petrey, Sherilyn Redmon, Melea Rivera, Ronda Sloan (DOI), Gary Smith, Brian Staples (DOI), and D. J. Wasson (DOI).

Approval of Minutes

A motion was made to accept the minutes of the January 24, 2012, meeting as submitted, seconded, and approved by voice vote.

Update on Office of the Kentucky Health Benefit Exchange Activities

Carrie Banahan, Executive Director, Office of the Kentucky Health Benefit Exchange (KHBE), updated the members on the Exchange activities. Ms. Banahan reported that the final regulations on essential health benefits were issued by the U.S. Department of Health and Human Services and included provisions on mental health parity and dental benefits. The KHBE will schedule a meeting with Dr. Thompson and the dental insurers to determine how that new rules impact the recommendations regarding dental benefits put forth by the Dental/Vision Subcommittee and adopted by the Advisory Board. Ms. Banahan also reported that the KHBE has a Detailed Design Review scheduled for March 25-26, 2013, on-site with representatives from the Centers for Medicare and Medicaid Services and the Center for Consumer Information and Insurance Oversight. Ms. Banahan also reported that a second draft of the Qualified Health Plan Certification administrative regulation was issued and distributed at the QHP Subcommittee meeting held earlier in the day and that the KHBE is in final negotiations for the Call Center contract.

A representative from Deloitte updated the subcommittee on the development of the Exchange information technology (IT) system. The IT system build is on target and on schedule and the design for all the major components to stand up the Exchange is complete.

Mr. Nold reported that KHBE staff attended a meeting in West Virginia with other states establishing Exchanges in order to discuss sharing services for cost savings. Possible areas for sharing services among states are Contact Centers and marketing.

Tihisha Rawlins asked what impact sequestration would have on the Exchange. Ms. Banahan responded that sequestration had no impact on the Exchange, but other programs in the Cabinet for Health and Family Services may be impacted.

Subcommittee Reports

Behavioral Health Subcommittee

Julie Paxton, Chair, reported that the Behavioral Health Subcommittee held a meeting on February 19, 2013. The subcommittee discussed comparisons of coverage for behavioral health and substance abuse market, noting that parity for behavioral health and substance abuse services in the large group market is currently required. A Behavioral Health Work Group was established to review the coverage and schedule of benefits provided by insurers in greater depth. The subcommittee also reviewed current practices and sources of utilization review by insurers and discussed the review criteria for mental health parity used by the Department of Insurance (DOI). The subcommittee set a tentative meeting date of March 19, 2013, for the next meeting during which the findings of the Behavioral Health Work Group will be discussed.

Dental/Vision Subcommittee

Dr. Joe Ellis, Chair, reported that the Dental/Vision Subcommittee has not met since the last Advisory Board meeting. The subcommittee will meet to consider the new rules issued by HHS.

Education/Outreach Subcommittee

Tihisha Rawlins, Chair, reported that the Education and Outreach Subcommittee held a meeting on February 11, 2013. Representatives from Deloitte provided a presentation on the Self-Service Portal (SSP) development and updated the subcommittee on the project. The KHBE informed the subcommittee members about a scheduled testing of the SSP with a focus group of consumers, updated the members regarding the education and outreach activities, and provided a working draft of community organizations to help with education and outreach efforts. The subcommittee will continue discussions on outreach and education activities to be undertaken by the Exchange. The next meeting of the subcommittee is scheduled for March 18, 2013.

Navigator/Agent Subcommittee

Marcus Woodward, Chair, reported that the Navigator/Agent Task Force met on February 13, 2013, to provide information and answer questions from various agent organizations in attendance. And, members of the Navigator/Agent Subcommittee met with the SHOP Subcommittee on February 14, 2013. At its meeting on February 21, 2013, the subcommittee reviewed a presentation by Deloitte on the Navigator/In-Person Assister Program. Members also reviewed information regarding Certified Application Counselors from the January proposed rule

on Medicaid, the Children's Health Insurance Program (CHIP), and Exchanges and the federal proposed data and training elements for agents participating on the Federally-facilitated Exchange. In order to address the confusion concerning the roles and responsibilities of agents, Certified Application Counselors, In-Person Assistors, and Navigators, the subcommittee recommended that a white paper on the topic be developed by the KHBE.

The subcommittee recommends that any training for Agents, Certified application Counselors, In-Person Assistors, and Navigators should be coordinated to the extent possible to provide uniformity and to ensure the proficiency of these entities. The Exchange should cooperate with the Department of Insurance to adjust any Exchange training content to remove any areas considered non-essential for agents due to existing licensure or training standards. The next meeting of the Navigator/Agent Subcommittee is scheduled for March 21, 2013.

Qualified Health Plans Subcommittee

Carl Felix, acting on behalf of Deborah Moessner, Chair, reported that the Qualified Health Plans Subcommittee met earlier in the day and was updated on Exchange activities and newly proposed rules from HHS. The subcommittee reviewed the revised draft of the Qualified Health Plans administrative regulation. Members also discussed and approved the recommendations made by the QHP Subcommittee Task Force regarding effective dates, rating areas, essential health benefits, plan limits, and catastrophic plans. The subcommittee recommended: for future effective dates, there should be a maximum of 90 days allowed from the filing of an application and no more than 90 days allowed for special qualifying events. For applications filed between the first and fifteenth of the month, the effective date will be the first of the following month. For applications filed between the sixteenth and the end of the month, the effective date will be the first of the second month following the filing of the application (with the exception of special circumstances). For those applicants who do not submit a premium payment at the time of the application, the KHBE should follow the guidelines issued for Federally-facilitated Exchanges which allow the effective date to vary by issuer.

The subcommittee also recommended that the KHBE should: maintain the eight Medicaid regions as the rating areas; limit the number of plans offered by an issuer to no more than four per metal level; and require issuers to offer one catastrophic plan in addition to the four per metal level plan limit. The subcommittee further recommended that standalone dental plans that exceed the dental benefits offered in the standard Essential Health Benefits package should not be offered on the Exchange.

Small Employer Health Options Program (SHOP) Subcommittee

Jeff Bringardner, Chair, reported that the SHOP Subcommittee held a joint meeting with the QHP Subcommittee on February 14, 2013. The SHOP and QHP subcommittee members discussed shared issues including SHOP participation rules and appointment of agents with insurers participating in the SHOP Exchange. The members considered whether the Exchange should limit the number of metal levels that can be contiguous or if there should be rules about the level of participation. Concerns were raised about the administrative complexity that would be involved in requiring participation levels per metal level. Members also discussed whether rates would be composite or table rated in the SHOP Exchange.

The members also considered whether agents should be required to have an appointment with all insurers participating in the Exchange. Concerns were raised about cancellation of agent appointments by insurers for low production and how this would be handled if agents were required to have an appointment with all insurers participating on the Exchange. A suggestion was made that the Exchange considers having an agreement with insurers that an agent would not be terminated for low volume. The Exchange staff will research the issue and provide a report to the SHOP and Navigator/Agent Subcommittees. Members were also given an overview of the process for selecting an agent on the Web-based portal and updated on local government premium taxes. The next meeting of the SHOP subcommittee is scheduled for Thursday, March 14, 2013.

A motion to accept the subcommittee reports including the recommendations contained therein was made, seconded, and approved by voice vote.

Other Business

The next meeting of the Advisory Board will be on March 28, 2013, at 1:30 p.m., in the Large Conference Room at the Office of the Kentucky Health Benefit Exchange.

Audience members put forth questions regarding the Exchange to KHBE staff and board members.

Adjournment

The meeting was adjourned at 2:02 p.m.